SLO COUNTY apcd | Air Pollution Control District
San Luis Obispo County

June 23, 2014

Mr. John McKenzie, Environmental Division
County Planning & Building Department
County Government Center, Rm 310
San Luis Obispo, CA 93401

SUBJECT: APCD Comments Regarding the EIR Addendum for Guadalupe Restoration Project's Proposed Willow Road Hauling Route (CUP# DRC2013-00065)

Dear Mr. McKenzie:

Thank you for including the San Luis Obispo County Air Pollution Control District (APCD) in the environmental review process. We have completed our review of the proposed Environmental Impact Report Addendum (2014 EIR Addendum) that was prepared by Chevron Environmental Management Company (CEMC), on behalf of the landowner, Union Oil Company of California (Union Oil or UNOCAL) for the former Guadalupe Oil Field / Guadalupe Restoration Project (GRP).

A 2006 Supplemental EIR and 2012 EIR Addendum for the GRP allowed for trucking of non-hazardous impacted soils (NHIS) from the site to city of Santa Maria Landfill (SMLF) where the material is used for daily cover or to other disposal facilities in Kern or Kings Counties. Since the hauling impacts were above and beyond those mitigated by the GRP under the project's 1998 EIR, UNOCAL/Chevron entered into the 2005 and 2012 Memorandums of Understanding with the San Luis Obispo County APCD and Santa Barbara County APCD to mitigate the impacts from hauling 865,000 cubic yards (cy) and 500,000 cy of NHIS respectively. UNOCAL/Chevron elected to have the APCDs implement off-site mitigation projects using the required mitigation funding provided by UNOCAL/Chevron.

The 2014 EIR Addendum requests changing the primary hauling GRP route identified in the previously approved Development Permit/Development Plan (CDP/DP) DRC2011-00065. Currently the GRP uses the Betteravia route to transport NHIS to the SMLF. With the Willow Road/Highway 101 interchange now complete, the CEMC is proposing to use a Willow Road route as the primary hauling route. The new route would travel on Thornberry Road (Project site) to Highway 1, Highway 1 to Willow Road to the Willow Road/Highway 101 interchange, onto Highway 101 to East Main Street and on to the SMLF. The proposed route is reported by Chevron to be longer than the existing route but could reduce haul times and improve traffic safety due to more controlled intersections. The proposed route would also shift the traffic impacts from Guadalupe to the Nipomo Mesa Area which is impacted by elevated particulate matter (PM) pollution from windblown dust from open sand areas of the Oceano Dunes State Vehicular Recreation Area. *The following are APCD comments that are pertinent to this project.*

T 805.781.5912 F 805.781.1002 W slocleanair.org 3433 Roberto Court, San Luis Obispo, CA 93401

GENERAL COMMENTS

As a commenting agency in the California Environmental Quality Act (CEQA) review process for a project, the APCD assesses air pollution impacts from both the construction and operational phases of a project, with separate significant thresholds for each. **Please address the action items contained in this letter that are highlighted by bold and underlined text.**

With this letter, the APCD is highlighting key deficiencies to/changes in the Air Quality Section of the 2014 EIR Addendum that CEMC needs to address.

The APCD is also providing additional changes/comments to be addressed by CEMC in the PDF file entitled "2014 EIR Addendum - Revised Haul Route_APCDnotes.pdf."

KEY HIGHLIGHTS OF 2014 EIR Addendum Changes

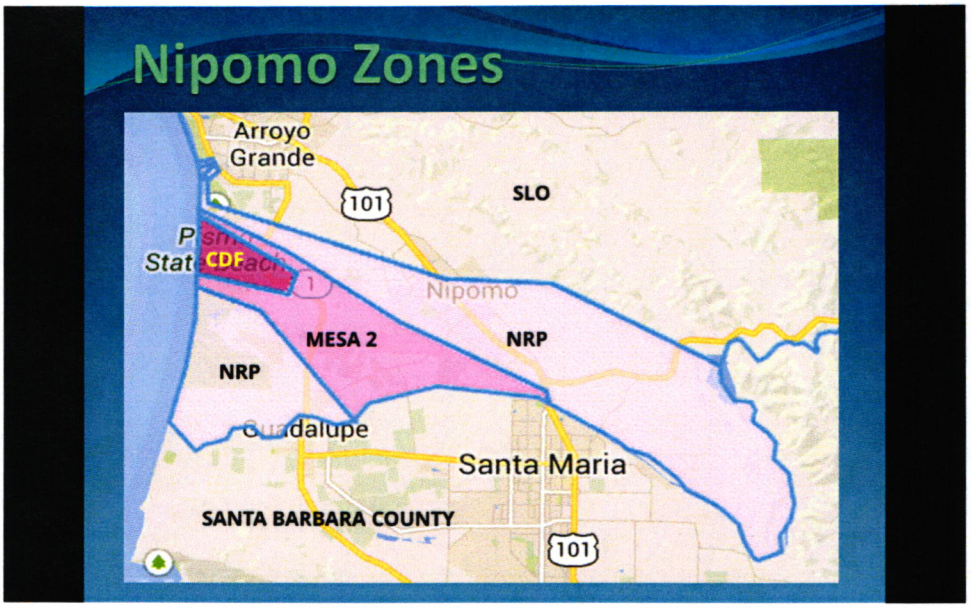
ENVIRONMENTAL SETTING (Physical Page Number 18 of 2014-EIR Addendum – Revised Haul Route.PDF)

The Environmental Setting section of the 2014 EIR Addendum needs to be updated to include the following information:

1. Nipomo Mesa Area

The propose Willow Road Route would travel through an area that is impacted by periods of high particulate matter concentrations. The APCD has been investigating the source of the high particulate matter concentrations on the Nipomo Mesa for the past decade. Several studies performed by the APCD in the Nipomo Mesa area have shown the source of the elevated particulate matter (PM) pollution to be windblown dust from the open sand areas of the Oceano Dunes State Vehicular Recreation Area (SVRA), and that emissions are increased by off road vehicle activity. The studies provided a comprehensive picture of the characteristics of a typical dust event.

To keep the public informed of periods of deteriorating air quality, the APCD provides a daily air quality forecast for SLO County. SLO County is partitioned into nine air quality forecast zones, and an air quality forecast for a six-day period is provided for each zone. In the Nipomo Mesa area, there are four forecast zones as shown in the map below, and are named CDF, MESA2, NRP and SLO:



The darker colors in the map signify the location of the greatest dust impacts during a typical blowing dust event. The public can experience adverse health impacts in areas with blowing dust. The proposed route would occur in both the NRP and Mesa2 zones.

Children and individuals with compromised cardiac and respiratory systems or related health problems are called sensitive receptors. Sensitive receptors can experience greater health impacts than the general population during blowing dust events. Sensitive receptor locations include schools, residential dwellings, parks, day care centers, nursing homes, and hospitals.

Blowing dust is generated at the SVRA during periods of strong winds. The blowing dust events are typically most frequent in the spring; however, dust events can occur at any time of the year. The greatest impacts occur when the strong winds blow from the northwest which directs the dust plume inland over the Nipomo Mesa (as shown in the map above) where it can impact residents. A typical event tends to start around noon and end by the early evening, with peak impacts between 1 pm to 5 pm. The strongest events can result in blowing dust from 9 am to 7 pm, with peak impacts between noon and 6 pm. Being aware of typical dust plume characteristics, residents can plan to avoid peak dust impacts. Particulate concentrations typically return to background levels from the late evening to the morning, so these times are best (health wise) for outdoor activities and exercise.

On November 16, 2011, the APCD Board approved the Coastal Dunes Dust Control Rule 1001 to require implementation of dust control measures on coastal dunes where vehicle activity occurs, to mitigate the impacts of the blowing dust. Mitigation efforts are currently underway.

2. SLO County's Federal PM2.5 Exceedence Status

The Environmental Setting section also needs to be updated to note that recent measurements also demonstrate that the Nipomo area is very close to exceeding both the Federal PM10 and PM2.5 ambient air quality standards that could result in potential future non-attainment.

IMPACT DISCUSSION (Physical Page Number 19 of PDF)

The 2014 EIR Addendum needs to list/compare the differences between the existing and proposed routes and provide a qualitative description of the effect of each relative the historically used Betteravia Route.

The Air Quality section evaluates the impacts of the proposed Willow Road route using 35 haul trips a day, 4 days a week, 32 weeks a year (130 days/year), with a specified actual truck fleet composition. **The APCD recommends that if the route change is accepted by the County, the project be conditioned to these operational parameters to ensure that the Air Quality study for the 2014 EIR Addendum best represents actual proposed operations.**

HHRA DISCUSSION (Physical Page Numbers 20 & A-3 to A-4 of PDF

It is unclear from the Human Health Risk Discussion where 1.7 (6.3-4.6) in a million risk for the Willow Road Route come from. The ACPD provided a combined screening risk for 2 gas stations at 101/Teft of 11.7 in a million.

We are unable to evaluate the HHRA for this project because the information is not provided in the 2014 EIR Addendum nor in the Addendum's Appendix A. This information needs to be included and available for public review.

Please add a reference to the Philips 66 Throughput HHRA and the resulting risk. Also, there is a risk value for the proposed rail spur project and this also needs to be stated in this Addendum as well as a discussion of the potential cumulative risk should these Philips 66 projects move forward.

TABLE 2 – Trucking Emission Summary (Physical Page Number 21 of PDF)

The APCD is providing proposed changes to the lower portion of Table 2 in the Excel file entitled "GUAD 2012-2013 and Willow AQ Comparisons_SLOCAPCD.xlsx" under tab "Willow Emissions Summary –APCD." These changes are to be used as a template for changes that also need to be made to the upper portion of Table 2. Provide a robust discussion of the conclusions that come from the updated Table 2 – examples include but are not limited to:

- The 2012 analysis assumed 250 days of operation versus 130 days for the 2014 analysis. This difference accounts for the majority of the emission reductions attributed to operations in 2014;
- List the differences in the route length between the proposed Willow Road route and the current Betteravia Route and make sure that all documents list these differences consistently;
- In the lower portion of Table 2, Betteravia/Main route line items actually present the emissions for the Main Street Route which results in about 4% more emissions than the Betteravia Route. The Betteravia Route is the route that has been used since 2012, so please

remove the Main Street reference and list that emissions for the actual route being used, Betteravia. The Willow Road Route has more emissions than the current Betteravia Route and please state this difference in terms of the % increase in emissions that the proposed route will have relative to the current Betteravia Route.
- Relative to the assumptions used for the emission analysis in 2012 for the Betteravia Route, the 2014 actual hauling operations shall provide significant emission reductions (provide approximate %s) regardless of whether the Betteravia Route or the Willow Route are selected.
- In 2012, the contractor was unable to identify which of their 35 trucks they would dispatch to the job and therefore all of them were used to determine the average emissions for the fleet. In 2014, that fleet has settled to 22 trucks resulting in an average fleet that is cleaner than the potential fleet from 2012 (provide an approximate % cleaner).
- Appendix A states that additional trucks in the fleet will have Diesel Particulate Filters (DPFs) installed within the next couple of years. Please state this consistently in the Addendum text and identify the current % of trucks that have DPFs and % of trucks that will have DPFs by 2016.

APPENDIX A (Physical Page A-1 of the PDF)
Willow Road Route would shift trucking impacts to the Nipomo Mesa Area which is also receiving current impacts from the Oceano Dunes, Philips 66 refinery and proposed new impacts from the Philips 66 refinery expansion project and the rail spur project. **This Appendix needs to present these trade off facts and the highlights need to be listed in the text of the 2014 EIR Addendum text as well**.

APPENDIX A (Physical Page A-2 of the PDF)
From APCD's perspective, the change emissions from the fleet/route can start to be credited only after the approval of this Addendum. Until then, the historic project emissions need to be based on the 2012 SEIR hauling addendum. **Therefore, the credit discussion here and anywhere else in this Addendum needs to be removed and addressed separately through the MOU with the project proponent and the APCD.**

Again, thank you for the opportunity to comment on this proposal. If you have any questions or comments, feel free to contact me at 781-5912.

Sincerely,

Andy Mutziger
Air Quality Specialist

AJM/jet

cc: Carri Douglas, Project Manager
Lisa Bugrova, Permitting/Compliance Consultant to CEMC

h:\plan\ceqa\project_review\2000\2800\2843-4\2843-4.docx